

Point/Counterpoint: NAFTA's 10th Anniversary- January 18, 2005

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In January 1994, the North American Free Trade Agreement was signed into law with much fanfare, its supporters predicting that liberalized trade among the United States, Canada and Mexico would yield 250,000 new jobs and a multitude of enormous economic benefits for American workers.

But 10 years later, we do not have to look far to see the high price "free trade" has exacted on U.S. workers.

Hundreds of workers at local employers such as Xerox, Bausch & Lomb and Eastman Kodak have lost their jobs to cheaper labor overseas. NAFTA has been more of a blow than a boon to our economy. Unlike the European Union, which takes steps to keep jobs from flowing to new member countries, America chose instead to give its jobs away.

Not only has NAFTA failed to live up to the promise of creating hundreds of thousands of new jobs, but independent analysis by the Economic Policy Institute concludes that NAFTA and World Trade Organization agreements are responsible for the loss of 3 million actual and potential jobs. Many of these are high-paying jobs in the manufacturing sector that are likely gone for good.

During this time, the manufacturing sector in Rochester has shrunk almost 25 percent, with 20,000 factory jobs lost just since 2000.

NAFTA has also created an \$85 billion trade deficit between the United States and both Mexico and Canada. These deficits mean that Americans are buying far more products that are made by foreign producers than are "Made in America."

As an active member of the manufacturing caucus, I have consistently argued that when we jeopardize our manufacturing job base, we jeopardize our sovereignty.

At a time when our economy is registering growth, why are so few jobs being created? Why is this a "jobless" or, some would say, "job-loss" recovery?

I believe that NAFTA and its progeny, most notably trade agreements with China, have fundamentally distorted the underpinnings of our economy. The fact that only 1,000 new jobs were created in the United States during December bears this out.

In Congress, I have authored legislation to establish a five-member independent commission to assess the impact of NAFTA and China's entry into the World Trade Organization on American jobs.

Under the Trade Accountability Study Act, the president would be required to consider the findings and recommendations of the Trade Impact Review Commission in the development of future trade agreements.

I have also introduced legislation to help undo the damage done to our electronics industry by prohibiting the Departments of Defense and Homeland Security from purchasing equipment that contains electronic components not manufactured in the United States - a practice that endangers national security as well as jobs.

President Bush is negotiating new multilateral trade liberalization agreements modeled after NAFTA: the Free Trade with the Americas Agreement and the U.S.-Central American Free Trade Agreement.

But before we launch yet another round of free trade agreements, it is critical that we understand the effects that NAFTA has had on our nation's economy. We must also examine why all the promises made by Mexico about ending child labor abuses, enforcing environmental regulations and increasing wages have been broken.

Our future trade agreements cannot become another race to the bottom. Let us learn from the dangerous mistakes made by passing NAFTA and other trade agreements before we do any more damage to our already fragile economy.